

# Department of Insurance

Analyst: Bybee

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2019 Total App</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Approp</b>	<b>FY 2021 Request</b>	<b>FY 2021 Gov Rec</b>
<b>BY PROGRAM</b>					
Insurance Regulation	8,984,500	7,044,400	8,499,600	8,731,200	8,683,200
State Fire Marshal	1,224,900	954,500	1,277,400	1,247,700	1,229,000
<b>Total:</b>	<b>10,209,400</b>	<b>7,998,900</b>	<b>9,777,000</b>	<b>9,978,900</b>	<b>9,912,200</b>
<b>BY FUND CATEGORY</b>					
Dedicated	9,531,200	7,465,400	9,091,800	9,282,600	9,223,400
Federal	678,200	533,500	685,200	696,300	688,800
<b>Total:</b>	<b>10,209,400</b>	<b>7,998,900</b>	<b>9,777,000</b>	<b>9,978,900</b>	<b>9,912,200</b>
Percent Change:		(21.7%)	22.2%	2.1%	1.4%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	6,041,300	5,526,400	5,776,300	5,985,200	5,850,900
Operating Expenditures	3,632,800	2,032,300	3,808,200	3,865,500	3,933,100
Capital Outlay	535,300	440,200	192,500	128,200	128,200
<b>Total:</b>	<b>10,209,400</b>	<b>7,998,900</b>	<b>9,777,000</b>	<b>9,978,900</b>	<b>9,912,200</b>
Full-Time Positions (FTP)	76.50	76.50	71.50	71.50	71.50

## Department Description

Authorized in Title 41, Chapter 4, Idaho Code, the mission of the Department of Insurance is to serve and protect Idahoans by equitably, effectively, and efficiently administering the Idaho Insurance Code and the International Fire Code. The department has two budgeted programs: the Insurance Regulation Division and the State Fire Marshal's Office. The Insurance Regulation Division consists of three bureaus overseen by a deputy director. Support services are provided by an administrative group reporting to the director, which also has the responsibility of collecting and auditing insurance premium tax returns. The responsibilities can be summarized as follows:

The Insurance Regulation Division, Company Activities Bureau monitors the financial condition of all insurance entities domiciled in the state of Idaho to assure that each complies with Idaho law, and that the financial obligations of the company to its policyholders will be met. The bureau also reviews and issues certificates of authority or eligibility to qualified insurers or self-funded healthcare plans; licenses producers, adjusters and third party administrators; regulates title agencies; and performs market analyses and examinations of insurers and self-funded plans domiciled in Idaho.

The Insurance Regulation Division, Consumer Services Bureau researches consumer and industry complaints, and provides assistance to consumers and the insurance industry on matters involving insurance contracts and potential violations of the insurance code. This bureau investigates criminal and civil violations of insurance laws, and refers cases involving criminal or administrative violations to the Attorney General or appropriate county prosecutor. Also within this bureau is Idaho's Senior Health Insurance Benefits Advisors (SHIBA) program which provides free, unbiased information, counseling and assistance on Medicare coverage issues to Idaho's senior citizens, through a network of over 150 volunteers/partners and a help line staffed to service all Idahoans.

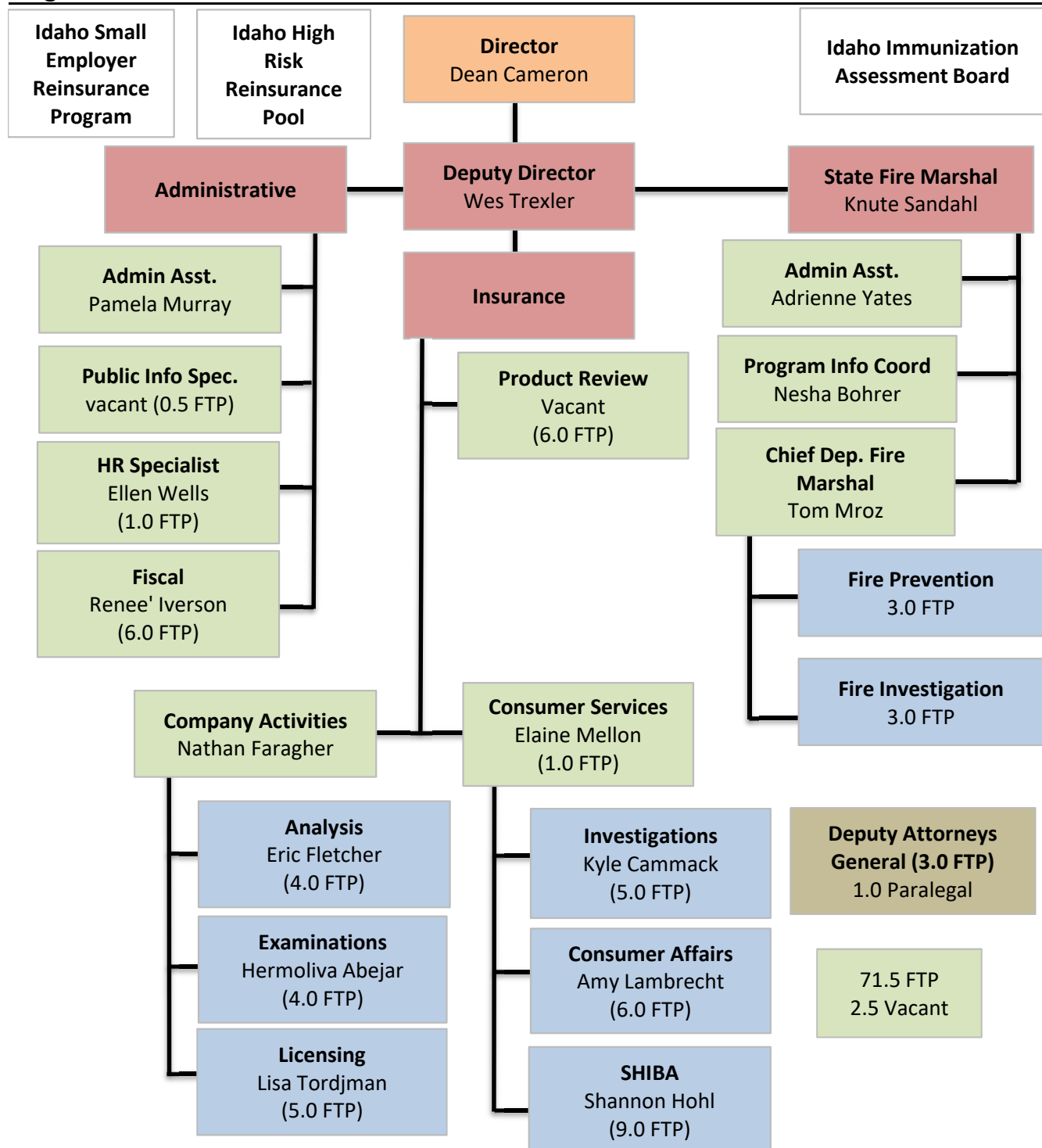
The Insurance Regulation Division, Product Review Bureau reviews filed rates and forms. The bureau meets the effective rate review standards for the individual and small group health insurance markets, retaining state-level regulatory authority. The bureau reviews and certifies that health plans meet standards as required by law.

The State Fire Marshal Division participates in and coordinates an integrated statewide system designed to protect human life from fire and explosions through fire prevention, investigation and public education activities. The program involves fire prevention activities, fire/arson investigations, code enforcement and the operation of various statistical systems, including the Idaho Fire Incident Reporting System. The State Fire Marshal's Office provides assistance to local fire agencies throughout the state.

# Department of Insurance Agency Profile

Analyst: Bybee

## Organizational Chart



Performande Measurement Report:

<https://dfm.idaho.gov/publications/bb/perfreport/>

# Department of Insurance

## Agency Profile

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### PREMIUM TAX DISTRIBUTION

The Department of Insurance is responsible for administering and collecting a tax assessed on all insurance premiums. This tax collected from authorized insurers is in lieu of all other state and local taxes with the exception of real property tax (Section 41-405, Idaho Code).

**Revenue from the premium tax is distributed to the following funds:**

**Insurance Refund:** Used to reimburse insurers for overpayment of taxes, fines, penalties, etc.

**PERSI:** Section 59-1394, Idaho Code, provides that at least 50% of the gross tax on fire insurance premiums is used to partially fund the firefighter retirement system. Currently, 100% of the gross tax on fire insurance is used for this purpose.

**High Risk Reinsurance Pool:** If premium tax revenue exceeds \$45 million after all other deductions, 25% of the excess goes into the Individual High Risk Reinsurance Pool to pay the costs associated with providing health insurance coverage to high risk individuals regardless of health status or claims experience.

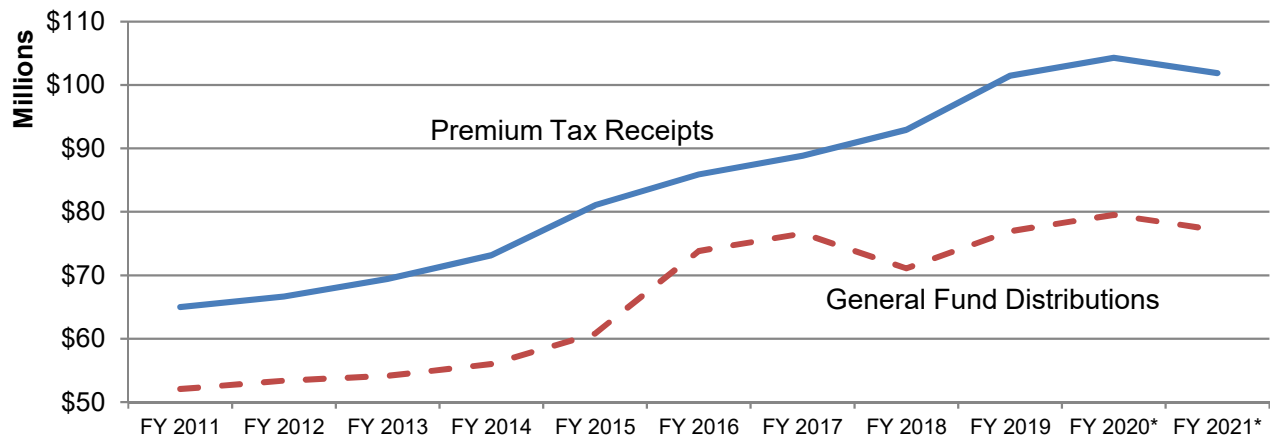
**Idaho Health Insurance Access Card:** If premium tax revenue exceeds \$55 million, 25% of the excess goes to the Idaho Health Insurance Access Card Fund, with 80% going to CHIP Plan B and the children's access card program, and 20% (not to exceed \$1.2 million) to the small business health insurance pilot program.

*LEGISLATION IMPACTING DISTRIBUTIONS: S1014 of 2013 included a clause that struck the distributions for the CHIP B, Access Card, and High Risk Reinsurance Pool beginning October 1, 2015. High Risk Reinsurance Pool was re-codified with S1265 of 2016 and took effect in FY 2018.*

**General Fund:** The balance of the premium tax, fines, and penalties are distributed to the General Fund.

#### DISTRIBUTION OF PREMIUM TAX REVENUES FY 2018 - FY 2021

	FY 2018	FY 2019	FY 2020*	FY 2021*
General Fund	\$71,073,851	\$76,969,121	\$79,527,375	\$77,104,400
Insurance Refund	\$8,895,300	\$9,618,400	\$9,714,600	\$9,714,600
Fireman's PERSI	\$3,962,841	\$4,320,912	\$4,364,100	\$4,364,100
Insurance Insolvency Fund	\$0	\$0	\$0	\$0
High Risk Reinsurance Pool	\$9,019,873	\$10,575,822	\$10,681,600	\$10,681,600
CHIP B and Access Card	\$0	\$0	\$0	\$0
<b>Total (Premium Tax Receipts)</b>	<b>\$92,951,865</b>	<b>\$101,484,655</b>	<b>\$104,287,675</b>	<b>\$101,864,700</b>



\*Estimate based on projected revenues and expenses.

NOTE: Distributions can exceed actual revenues slightly, depending on the amount of fees collected by the agency. Section 41-401(3)(e), Idaho Code, provides that "at the beginning of each fiscal year, those moneys in the Insurance Administrative Account which exceed the current year's appropriation plus any residual encumbrances made against prior years' appropriations by twenty-five percent (25%) or more shall be transferred to the general [fund]."

# Department of Insurance

## Agency Profile

Analyst: Bybee

Sources/Uses of Funds	FY 2020 Original Appropriation
<b>Self Governing Operating:</b> Fees, licenses and miscellaneous charges assessed on the insurance industry.	<b>\$7,814,400</b>
<b>Self Governing State Fire Marshal:</b> Penalties collected as authorized by law; a portion of the continuation fee collected from insurers; other monies or revenues derived from whatever source for arson or fraud investigation or fire prevention; and interest earned on the investment of the fund.	<b>\$1,277,400</b>
<b>Federal Grant:</b> Grant funds provided by Health Care Financing Administration, U.S. Department of Health and Human Services - Cooperative Agreement Project Grant.	<b>\$685,200</b>
<b>Total Appropriation</b>	<b>\$9,777,000</b>

### Selected Measures

CASE MANAGEMENT/SERVICES PROVIDED	FY 2016	FY 2017	FY 2018	FY 2019
<b>COMPANY ACTIVITIES BUREAU</b>				
Examinations Performed	6	10	6	9
Title Exams Performed	38	38	40	44
Companies Admitted/Listed	34	34	58	49
Companies Withdrawn/Suspended/Revoked	28	32	34	22
Total Companies Regulated	2,166	2,147	2,180	2,219
<b>Producer Licensing</b>				
Applications Received	22,559	22,506	27,426	26,916
Licenses Issued	20,040	20,014	24,513	23,770
<b>PRODUCT REVIEW BUREAU</b>				
Policy Forms Filed	28,629	24,406	29,319	28,975
<b>CONSUMER SERVICES BUREAU</b>				
<b>Consumer Affairs</b>				
Complaints Received	990	989	845	904
Inquiries	5,907	6,506	6,795	6,530
<b>Senior Health Ins. Benefit Advisors (SHIBA)</b>				
Client Contacts	12,818	13,369	14,983	14,492
Clilents reached through media outreach	22,357	21,051	21,485	19,749
<b>Investigations</b>				
New Cases	377	335	313	387
Cases Referred	31	27	22	38
Convictions	7	15	10	12
<b>STATE FIRE MARSHAL</b>				
Fire Investigations	111	126	106	156
Fire Code Inspections	415	480	477	382
Sprinkler Plan Reviews	283	292	432	506
Classes Taught	57	96	105	129

# Department of Insurance

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2020 Original Appropriation</b>	<b>71.50</b>	<b>0</b>	<b>9,777,000</b>	<b>71.50</b>	<b>0</b>	<b>9,777,000</b>
Sick Leave Rate Reduction	0.00	0	0	0.00	0	(13,100)
<b>FY 2020 Total Appropriation</b>	<b>71.50</b>	<b>0</b>	<b>9,777,000</b>	<b>71.50</b>	<b>0</b>	<b>9,763,900</b>
Removal of Onetime Expenditures	0.00	0	(199,600)	0.00	0	(199,600)
Base Adjustments	0.00	0	0	0.00	0	0
Restore Ongoing Rescissions	0.00	0	0	0.00	0	13,100
<b>FY 2021 Base</b>	<b>71.50</b>	<b>0</b>	<b>9,577,400</b>	<b>71.50</b>	<b>0</b>	<b>9,577,400</b>
Benefit Costs	0.00	0	159,600	0.00	0	(22,900)
Replacement Items	0.00	0	128,200	0.00	0	128,200
Statewide Cost Allocation	0.00	0	64,400	0.00	0	64,400
Change in Employee Compensation	0.00	0	49,300	0.00	0	97,500
<b>FY 2021 Program Maintenance</b>	<b>71.50</b>	<b>0</b>	<b>9,978,900</b>	<b>71.50</b>	<b>0</b>	<b>9,844,600</b>
OITS 1 - Operating Costs	0.00	0	0	0.00	0	1,000
OITS 2 - Servers and Licensing	0.00	0	0	0.00	0	19,800
OITS 4 - Agency Billings	0.00	0	0	0.00	0	46,800
<b>FY 2021 Total</b>	<b>71.50</b>	<b>0</b>	<b>9,978,900</b>	<b>71.50</b>	<b>0</b>	<b>9,912,200</b>
Change from Original Appropriation	0.00	0	201,900	0.00	0	135,200
% Change from Original Appropriation			2.1%			1.4%

# Department of Insurance

Analyst: Bybee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2020 Original Appropriation</b>					
The Legislature reduced funding in FY 2020 by \$245,200 and included a reduction of 5.00 FTP for technology consolidation and modernization.					
	71.50	0	9,091,800	685,200	9,777,000

## Sick Leave Rate Reduction

Agency Request	0.00	0	0	0	0
<i>The Governor recommends a six-month reduction of funding for employers who contribute to the PERSI-managed sick leave plan. This reduction will begin to draw down the reserve balance, which has grown significantly during the past several years.</i>					
Governor's Recommendation	0.00	0	(12,500)	(600)	(13,100)

<b>FY 2020 Total Appropriation</b>					
Agency Request	71.50	0	9,091,800	685,200	9,777,000
Governor's Recommendation	71.50	0	9,079,300	684,600	9,763,900

## Removal of Onetime Expenditures

Removes onetime increases provided in FY 2020 included by program:

INSURANCE REGULATION: Three server half-blades, three edge boxes, 24 personal computers, two high-end computers, nine laptops, one chromebook, 48 monitors, four laptop docking stations, one network printer, three label printers, two desktop scanners, seven task chairs, and network security items with OITS for a total of \$90,100.

STATE FIRE MARSHAL: Two light trucks, two laptop computers, two laptop docking stations, six monitors, three label printers, and one task chair for a total of \$109,500.

Agency Request	0.00	0	(199,600)	0	(199,600)
Governor's Recommendation	0.00	0	(199,600)	0	(199,600)

## Base Adjustments

This base adjustment shifts 0.35 FTP from the federal fund to the State Regulatory Fund.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

## Restore Ongoing Rescissions

Agency Request	0.00	0	0	0	0
<i>The Governor recommends restoration of the sick leave rate reduction.</i>					
Governor's Recommendation	0.00	0	12,500	600	13,100

<b>FY 2021 Base</b>					
Agency Request	71.50	0	8,892,200	685,200	9,577,400
Governor's Recommendation	71.50	0	8,892,200	685,200	9,577,400

## Benefit Costs

Employer-paid benefit changes include an 18.9% increase (or \$2,200 per eligible FTP) for health insurance, bringing the total appropriation to \$13,850 per FTP. Also included are a one-year elimination of the unemployment insurance rate, a restoration of the Division of Human Resources rate, and adjustments to workers' compensation that vary by agency.

Agency Request	0.00	0	150,900	8,700	159,600
<i>The Governor recommends no increase for health insurance due to fewer claims than expected and changes to federal tax policies; a one-year elimination of the sick leave rate and the unemployment insurance rate; restoration of the Division of Human Resources rate; and adjustments for workers' compensation rates.</i>					
Governor's Recommendation	0.00	0	(22,000)	(900)	(22,900)

# Department of Insurance

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Replacement Items</b>					
This request for replacement items includes \$51,700 for computers; \$40,000 for a light truck; \$12,400 for printers and scanning equipment; \$3,000 for task chairs; \$10,800 for conference room chairs; and \$10,300 for servers and equipment by program as follows.					
INSURANCE REGULATION: Two servers, 17 personal computers, eight laptops, one Chromebook, three laptop/tablets, 40 monitors, four laptop docking stations, one network printer, three label printers, three printers, three desktop scanners, 18 conference room chairs, and five task chairs for a total of \$78,100.					
STATE FIRE MARSHAL: One light truck, three laptop/tablet computers, three laptop docking stations, six monitors, and one desktop printer for a total of \$50,100.					
Agency Request	0.00	0	128,200	0	128,200
Governor's Recommendation	0.00	0	128,200	0	128,200
<b>Statewide Cost Allocation</b>					
This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$56,700, risk management costs will increase by \$3,100, State Controller fees will increase by \$4,700, and State Treasurer fees will decrease by \$100, for a net increase of \$64,400.					
Agency Request	0.00	0	64,400	0	64,400
Governor's Recommendation	0.00	0	64,400	0	64,400
<b>Change in Employee Compensation</b>					
For calculation purposes, agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees.					
Agency Request	0.00	0	46,900	2,400	49,300
<i>The Governor recommends a 2% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.</i>					
Governor's Recommendation	0.00	0	93,000	4,500	97,500
<b>FY 2021 Program Maintenance</b>					
Agency Request	71.50	0	9,282,600	696,300	9,978,900
Governor's Recommendation	71.50	0	9,155,800	688,800	9,844,600
<b>OITS 1 - Operating Costs</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends this agency's share of ongoing funding to pay the Office of Information Technology Services for security software and data center office space located at the Chinden Campus.</i>					
Governor's Recommendation	0.00	0	1,000	0	1,000
<b>OITS 2 - Servers and Licensing</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends this agency's onetime share of funding for software licensing, server infrastructure, and storage to expand system capabilities on core systems and to maintain agency-specific software.</i>					
Governor's Recommendation	0.00	0	19,800	0	19,800
<b>OITS 4 - Agency Billings</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends increases to certain agency budgets where OITS billings were in excess of the current year appropriation.</i>					
Governor's Recommendation	0.00	0	46,800	0	46,800
<b>FY 2021 Total</b>					
Agency Request	71.50	0	9,282,600	696,300	9,978,900
Governor's Recommendation	71.50	0	9,223,400	688,800	9,912,200

# Department of Insurance

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<b>Budget by Decision Unit</b>	<b>FTP</b>	<b>General</b>	<b>Dedicated</b>	<b>Federal</b>	<b>Total</b>
Agency Request					
Change from Original App	0.00	0	190,800	11,100	201,900
% Change from Original App	0.0%		2.1%	1.6%	2.1%
Governor's Recommendation					
Change from Original App	0.00	0	131,600	3,600	135,200
% Change from Original App	0.0%		1.4%	0.5%	1.4%



## ***Part I – Agency Profile***

### **Agency Overview**

The Department of Insurance is a regulatory agency created to regulate the business of insurance in Idaho. State regulation of Idaho's insurance business began in 1901, and in 1961 the Insurance Code was expanded and recodified into Title 41, Idaho Code. When the Executive branch of state government was reorganized in 1974, the Department of Insurance became one of the 20 major departments of the Executive branch. The director of the department is appointed by the governor and is subject to confirmation by the state senate.

The mission of the Department of Insurance is to serve and protect Idahoans by equitably, effectively, and efficiently administering the Idaho Insurance Code and the International Fire Code. The Department is organized into two divisions: the State Fire Marshal's Office and the Insurance Regulation Division. The State Fire Marshal's Office participates in and coordinates an integrated statewide system designed to protect human life from fire and explosions through fire prevention, investigation, and public education activities. The program involves fire prevention activities, fire/arson investigations, code enforcement, and the operation of the Idaho Fire Incident Reporting System. The State Fire Marshal's Office provides assistance to local fire agencies throughout the state. The Department's Insurance Regulation Division consists of the following three regulatory bureaus and one section overseen by a deputy director: the Company Activities Bureau, the Consumer Services Bureau, the Product Review Bureau, and the Information Technology Section. The Company Activities Bureau (CAB) monitors the financial condition of all insurance entities domiciled in the state of Idaho to assure that each complies with Idaho law and that the financial obligations of the company to its policyholders will be met. The CAB reviews all applications of insurers and qualifying self-funded healthcare plans seeking to do business in this state to determine eligibility for a certificate of authority to transact insurance or eligibility for registration as a self-funded healthcare plan. The CAB also licenses producers, adjusters, third party administrators, and other licensees, administers the applicable continuing education program for the resident producers and adjusters, regulates title agencies, and performs market analyses and examinations of insurers and self-funded plans doing business in Idaho. The Consumer Services Bureau (CSB) researches consumer and industry complaints and provides assistance to consumers, the insurance industry, and law enforcement agencies on matters involving insurance contracts and potential violations of the insurance code. The CSB is also responsible for investigating criminal and civil violations of insurance laws and referring cases involving criminal or administrative violations of the Idaho Code to the Attorney General or appropriate county prosecutor when applicable. Also within the CSB is Idaho's Senior Health Insurance Benefits Advisors (SHIBA) program that provides information, counseling, and assistance on Medicare coverage issues to Idaho's senior citizens through a network of professional staff, over 100 volunteers, and a help line staffed to service Idaho consumers. The Product Review Bureau (PRB) reviews insurance policy and self-funded rates and forms. The PRB meets the effective rate review standards for individual and small group health insurance markets, retaining state-level regulatory authority. The PRB supports the Idaho Health Insurance Exchange (Your Health Idaho) in fulfilling the plan management requirements and in reviewing and certifying health plans that meet the Qualified Health Plan (QHP) standards. The Information Technology Section provides computer-related support for the entire agency under the guidance of the Deputy Director. The Office of the Attorney General provides four dedicated employees, three attorneys and one paralegal, to provide day-to-day legal services to the department. The Director's administration group provides oversight, guidance and strategic business partnerships to the Insurance Regulation and State Fire Marshal divisions. The fiscal section also collects premium taxes and audits insurance premium tax returns.

The main office of the Idaho Department of Insurance is located on the third floor of the JR Williams Building in Boise. The department also has offices in Pocatello, Idaho Falls, and Coeur d'Alene (CdA). The department has been appropriated 76.5 FTE (full time equivalent) personnel for FY 2018. The State Fire Marshal has six FTE in Boise, two FTE in Idaho Falls, and two in CdA. The Insurance Regulation Division has two SHIBA FTE and one consumer affairs FTE in Pocatello and two SHIBA FTE FTE in CdA.

While the department collects more than \$90 million in Premium Taxes from insurance companies, none of those funds are used to support agency operations. The agency is funded entirely by fees collected for licensing insurance producers and companies doing business in Idaho.

**Core Functions/Idaho Code**

**Insurance Regulation Division** – Regulates the insurance industry in Idaho and assists public with insurance complaints and inquiries, investigates insurance fraud, reviews insurer rate and form filings, reviews qualifications of insurance agents/brokers and insurers seeking licensing to do business in Idaho, reviews financial solvency of insurers doing business in Idaho, and administers and collects insurance premium tax. Title 41, Idaho Code.

**State Fire Marshal's Office** – Assists local governmental entities and fire districts in fire investigation and prevention activities and is responsible for fire and life safety issues in state-owned buildings. Title 41, Chapter 2, Idaho Code.

**Revenue and Expenditures**

Revenue	FY 2016	FY 2017	FY 2018	FY 2019
Insurance Administrative Acct	\$7,638,600	\$7,779,800	\$8,336,000	\$9,314,400
Arson Fire & Fraud Acct	\$963,300	\$1,063,000	\$1,070,000	\$920,700
Federal Grant	\$475,700	\$496,700	\$462,200	\$557,100
Miscellaneous Revenue	\$9,000	\$21,000	\$82,000	\$14,000
<b>Total</b>	<b>\$9,086,600</b>	<b>\$9,360,500</b>	<b>\$9,950,200</b>	<b>\$10,806,200</b>
Expenditures	FY 2016	FY 2017	FY 2018	FY 2019
Personnel Costs	\$4,994,200	\$5,226,600	\$5,340,800	\$5,526,300
Operating Expenditures	\$2,150,900	\$2,972,200	\$1,959,700	\$2,032,400
Capital Outlay	\$130,300	\$319,800	\$158,700	\$439,300
<b>Total</b>	<b>\$7,275,400</b>	<b>\$8,518,600</b>	<b>\$7,459,200</b>	<b>\$7,998,000</b>

\*Revenue figures for the insurance administrative account do not include tax premium revenue.

**Profile of Cases Managed and/or Key Services Provided**

Cases Managed and/or Key Services Provided	FY 2016	FY 2017	FY 2018	FY 2019
<b>Company Activities Bureau</b>				
Examinations performed	6	10	6	9
Adopt final examination reports within 18 months of the "as is" date	85%	85%	17%	55%
Companies admitted/listed	34	34	58	49
Companies withdrawn/suspended/revoked	28	32	34	22
Total companies regulated	2,166	2,147	2,180	2,219
Title exams performed	38	38	40	44
Perform NAIC Level 1 market analysis for 100% of companies identified in 5% most concerning by industry criteria	100%	100%	100%	100%
Premium taxes collected	\$84,000,564	\$87,578,540	\$92,214,489	\$99,757,192
Producer licensing applications received	22,559	22,506	27,426	26,916
Producer licenses issued	20,040	20,014	24,513	23,770
Continuing Ed courses approved	2,315	2,324	2,315	2,072
<b>Consumer Services Bureau</b>				
Consumer Affairs – Complaints rec'd	990	989	845*	904 *
Consumer Affairs – Inquiries	5,907	6,506	6,795	6,530
SHIBA – Client Contacts	12,818	13,369	14,983	14,492
SHIBA – Clients reached through media/outreach efforts	22,357	21,051	21,485	19,749
Investigations – New cases	377	335	313	387
Investigations – Cases referred to AG (Includes Criminal and Administrative)	31	27	22	38
Investigations – Convictions	7	15	10	12

Cases Managed and/or Key Services Provided	FY 2016	FY 2017	FY 2018	FY 2019
<b>Product Review Bureau</b>				
Policy Forms Filed	28,629	24,406	29,319	28,975
<b>State Fire Marshal</b>				
Fire Investigations	111	126	106	156
Fire Code Inspections	415	480	477	382
Sprinkler Plan Reviews	283	292	432	506
Classes Taught	57	96	105	129

\*As of FY 2018, health claim external review requests are no longer coded as consumer complaints.

## Licensing Freedom Act

Agencies who participate in licensure must report on the number of applicants denied licensure or license renewal and the number of disciplinary actions taken against license holders.

	FY 2016	FY 2017	FY 2018	FY 2019
<b>PRODUCER</b>				
Total Number of Licenses	48,742	60,700	83,794	107,039
Number of New Applicants Denied Licensure	12	9	3	3
Number of Applicants Refused Renewal of a License	1	0	0	0
Number of Complaints Against Licensees	41*	58	36	71
Number of Final Disciplinary Actions Against Licensees	31	30	26	42
<b>SURPLUS LINE BROKER</b>				
Total Number of Licenses	1,168	1,317	1,506	1,698
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	2	1	0
<b>BAIL AGENT</b>				
Total Number of Licenses	156	171	266	313
Number of New Applicants Denied Licensure	0	0	1	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	8*	2	17	7
Number of Final Disciplinary Actions Against Licensees	0	1	0	2
<b>ADJUSTER</b>				
Total Number of Licenses	6,817	8,848	11,795	14,985
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	1
Number of Final Disciplinary Actions Against Licensees	1	0	0	0
<b>PUBLIC ADJUSTER</b>				
Total Number of Licenses	71	84	104	123
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	1	6
Number of Final Disciplinary Actions Against Licensees	1	0	0	0

	FY 2016	FY 2017	FY 2018	FY 2019
<b>PORTABLE ELECTRONICS INSURANCE VENDOR</b>				
Total Number of Licenses	13	16	16	19
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>INDEPENDENT REVIEW ORGANIZATION</b>				
Total Number of Licenses	9	9	12	12
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>LIFE SETTLEMENT PROVIDER OR BROKER</b>				
Total Number of Licenses	29	32	42	51
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>MANAGING GENERAL AGENT</b>				
Total Number of Licenses	24	27	29	36
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>TITLE AGENT</b>				
Total Number of Licenses	147	157	160	178
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	6*	4	6	8
Number of Final Disciplinary Actions Against Licensees	0	0	1	0
<b>REINSURANCE INTERMEDIARY</b>				
Total Number of Licenses	0	0	0	0
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0

	FY 2016	FY 2017	FY 2018	FY 2019
<b>ADMINISTRATOR</b>				
Total Number of Licenses	237	274	314	340
Number of New Applicants Denied Licensure	4	8	7	9
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	5*	1	2	1
Number of Final Disciplinary Actions Against Licensees	5	2	0	2
<b>INSURER</b>				
Total Number of Licenses	2,056	2,091	2,155	2,204
Number of New Applicants Denied Licensure	4	9	8	11
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	343*	611	568	577
Number of Final Disciplinary Actions Against Licensees	18	20	30	16
<b>REINSURER</b>				
Total Number of Licenses	35	36	38	42
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	1	0
Number of Final Disciplinary Actions Against Licensees	2	1	2	0
<b>AUTHORIZED SURPLUS LINE INSURER</b>				
Total Number of Licenses	142	143	151	158
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	3*	0	0	0
Number of Final Disciplinary Actions Against Licensees	1	0	1	0
<b>COUNTY MUTUAL INSURER</b>				
Total Number of Licenses	1	1	1	1
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>FRATERNAL BENEFIT SOCIETY</b>				
Total Number of Licenses	14	14	15	15
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	4*	2	2	3
Number of Final Disciplinary Actions Against Licensees	0	0	0	0

	FY 2016	FY 2017	FY 2018	FY 2019
<b>HOSPITAL / PROFESSIONAL SERVICE CORPORATION</b>				
Total Number of Licenses	1	1	1	1
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	2*	6	3	2
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>HOSPITAL LIABILITY TRUST</b>				
Total Number of Licenses	0	0	0	0
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>SELF-FUNDED HEALTH CARE PLAN</b>				
Total Number of Licenses	12	12	13	14
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	1
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>RISK RETENTION GROUP</b>				
Total Number of Licenses	65	70	77	78
Number of New Applicants Denied Licensure	0	0	1	1
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	1	0	0	0
<b>PURCHASING GROUP</b>				
Total Number of Licenses	221	231	254	267
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	1	11	2	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
<b>PETROLEUM CLEAN WATER TRUST</b>				
Total Number of Licenses	1	1	1	1
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0

RATING ORGANIZATION				
Total Number of Licenses	7	7	7	7
Number of New Applicants Denied Licensure	0	0	1	2
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0*	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
ADVISORY ORGANIZATION				
Total Number of Licenses	8	8	8	9
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
CERTIFIED FIRE CODE OFFICIAL				
Total Number of Licenses	641	657	615	569
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
FIRE STANDARD COMPLIANT CIGARETTE CERTIFICATION				
Total Number of Licenses	139	134	124	124
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	0	0	1
Number of Final Disciplinary Actions Against Licensees	0	0	0	0
FIREWORKS WHOLESALER OR IMPORTER				
Total Number of Licenses	28	31	38	34
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	0	0	2
Number of Final Disciplinary Actions Against Licensees	0	0	0	2
FIRE PROTECTION SPRINKLER CONTRACTOR				
Total Number of Licenses	67	68	64	61
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	1	2	2
Number of Final Disciplinary Actions Against Licensees	0	1	2	1
FIRE PROTECTION SPRINKLER FITTER				
Total Number of Licenses	63	73	70	75
Number of New Applicants Denied Licensure	0	0	0	0
Number of Applicants Refused Renewal of a License	0	0	0	0
Number of Complaints Against Licensees	0	0	0	0
Number of Final Disciplinary Actions Against Licensees	0	0	0	0



\*Due to Department record retention, complaint data for FY 2016 is for six months only.

### Red Tape Reduction Act

Each agency shall incorporate into its strategic plan a summary of how it will implement the Red Tape Reduction Act, including any associated goals, objectives, tasks, or performance targets. This information may be included as an addendum.

	As of July 1, 2019
Number of Chapters	49
Number of Words	241,467
Number of Restrictions	3,358

### Part II – Performance Measures

Performance Measure		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Goal 1</b>						
<i>Company Activities Bureau: To efficiently ensure that insurers doing business in Idaho are financially sound and in compliance with Idaho law.</i>						
1. Complete the review of company applications within 30 days of date application is deemed complete.	actual	90%	92%	90%	92%	-----
	target	100%	100%	100%	100%	100%
2. Issue producer license within five business days of date application is received.	actual	95%	95%	95%	95%	-----
	target	90%	90%	90%	90%	90%
<b>Goal 2</b>						
<i>Consumer Services Bureau: To protect the public from unfair and illegal practices involving insurance by providing counseling and assistance to insurance consumers and investigating allegations of insurance code violations.</i>						
3. Complete and close consumer complaints within 60 days.	actual	91%	90%	88%	90%	-----
	target	90%	90%	90%	90%	90%
<b>Goal 3</b>						
<i>Product Review Bureau: To effectively review insurance policy rates and forms for compliance with Idaho law while not unduly delaying the introduction of new products to the marketplace.</i>						
4. Respond to company rates and forms filings within on average 10 business days.	actual	74%	85%	81%	70%	-----
	target	90%	90%	90%	90%	90%
<b>Goal 4</b>						
<i>State Fire Marshal Office: To investigate fires and assist in the prosecution of arson claims at the request of local units of government.</i>						
5. Respond to requests for fire investigation assistance within 12 hours.	actual	100%	100%	100%	100%	-----
	target	100%	100%	100%	100%	100%



**For More Information Contact**

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# Insurance, Department of

## FY 2019 Actual Expenditures by Division

Analyst: Bybee

			FTP	PC	OE	CO	T/B	LS	Total
<b>0.30</b>	<b>FY 2019 Original Appropriation</b>								
0229-10	Ded	62.65		4,957,200	2,898,400	450,700	0	0	8,306,300
0229-11	Ded	10.00		804,000	336,300	84,600	0	0	1,224,900
0348-00	Fed	3.85		280,100	398,100	0	0	0	678,200
<b>Totals:</b>		76.50		6,041,300	3,632,800	535,300	0	0	10,209,400
<b>1.00</b>	<b>FY 2019 Total Appropriation</b>								
0229-10	Ded	62.65		4,957,200	2,898,400	450,700	0	0	8,306,300
0229-11	Ded	10.00		804,000	336,300	84,600	0	0	1,224,900
0348-00	Fed	3.85		280,100	398,100	0	0	0	678,200
<b>Totals:</b>		76.50		6,041,300	3,632,800	535,300	0	0	10,209,400
<b>1.41</b>	<b>Receipt to Appropriation</b>								
0229-11	Ded	0.00		0	6,600	13,800	0	0	20,400
<b>Totals:</b>		0.00		0	6,600	13,800	0	0	20,400
<b>1.61</b>	<b>Reverted Appropriation</b>								
0229-10	Ded	0.00		(394,300)	(1,309,800)	(91,300)	0	0	(1,795,400)
0229-11	Ded	0.00		(76,400)	(196,800)	(17,600)	0	0	(290,800)
0348-00	Fed	0.00		(44,200)	(100,500)	0	0	0	(144,700)
<b>Totals:</b>		0.00		(514,900)	(1,607,100)	(108,900)	0	0	(2,230,900)
<b>2.00</b>	<b>FY 2019 Actual Expenditures</b>								
0229-10	Ded	62.65		4,562,900	1,588,600	359,400	0	0	6,510,900
Insurance Administrative				4,562,900	1,588,600	359,400	0	0	6,510,900
0229-11	Ded	10.00		727,600	146,100	80,800	0	0	954,500
Arson, Fire and Fraud Prevention				727,600	146,100	80,800	0	0	954,500
0348-00	Fed	3.85		235,900	297,600	0	0	0	533,500
Federal Grant				235,900	297,600	0	0	0	533,500
<b>Totals:</b>		76.50		5,526,400	2,032,300	440,200	0	0	7,998,900
<b>Difference: Actual Expenditures minus Total Appropriation</b>									
0229-10	Ded			(394,300)	(1,309,800)	(91,300)	0	0	(1,795,400)
Insurance Administrative				(8.0%)	(45.2%)	(20.3%)	N/A	N/A	(21.6%)
0229-11	Ded			(76,400)	(190,200)	(3,800)	0	0	(270,400)
Arson, Fire and Fraud Prevention				(9.5%)	(56.6%)	(4.5%)	N/A	N/A	(22.1%)
0348-00	Fed			(44,200)	(100,500)	0	0	0	(144,700)
Federal Grant				(15.8%)	(25.2%)	N/A	N/A	N/A	(21.3%)
<b>Difference From Total Approp</b>				<b>(514,900)</b>	<b>(1,600,500)</b>	<b>(95,100)</b>	<b>0</b>	<b>0</b>	<b>(2,210,500)</b>
<b>Percent Diff From Total Approp</b>				<b>(8.5%)</b>	<b>(44.1%)</b>	<b>(17.8%)</b>	<b>N/A</b>	<b>N/A</b>	<b>(21.7%)</b>